

# **MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE BRISTOL COUNTY WATER AUTHORITY**

**Wednesday, January 14, 2009**

**450 Child Street, Warren Office, Warren, RI**

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**Pursuant to proper notice, the regular meeting of the Board of Directors of the Bristol County Water Authority was called to order by Chairman Jannitto at 6:00 pm, 450 Child Street, Warren Office, Warren, Rhode Island. Executive Director Pasquale DeLise, and the following Directors were in attendance at the commencement of the meeting:**

**William Gosselin, John Jannitto, Allan Klepper, John McElroy, Jr., Joseph Rego, John Saviano, and John Veader**

**Director Absent – Frank Sylvia**

**Also present were numerous BCWA employees and retired BCWA employees.**

## **HOUSEKEEPING**

**Minutes of the following meeting were reviewed.**

**Upon a motion duly made and seconded, it was unanimously**

**VOTED: That the minutes of the regular meeting of December 10, 2008, be approved.**

## **PUBLIC RELATIONS/PERSONNEL COMMITTEE**

**Director Veader reported:**

### **New Business**

**1. Annual Actuarial Report, Director Veader introduced Mr. Robert Bostian from Benefit Management who presented BCWA's Annual Actuarial Report. Mr. Bostian reported that BCWA has to increase its contribution to the Pension Plan because of new funding rules for lump sum payments. Regulations have specified a change in mortality table used – increased longevity. Mr. Bostian recommended contacting BCWA's legal counsel to discuss the changes.**

## **AUDIT FINANCE COMMITTEE**

**Director Rego reported:**

### **Old Business**

**1. Meter Replacement Program, Manager of Customer and Commercial Services Mr. Joseph Granata stated that a total of 200 meters had been installed in December 2008.**

**2. FY10 O&M Budget, To be voted on in February 2009.**

## **ENGINEERING COMMITTEE**

**Director McElroy reported:**

**Old Business**

**1. Recent Correspondence Concerning the Rehoboth Water District (Possible Executive Session), Executive Director DeLise stated that the suit has been dismissed with prejudice.**

**2. FY10 Capital Budget, To be voted on in February 2009.**

**PUBLIC RELATIONS/PERSONNEL COMMITTEE**

**Director Veader reported:**

**New Business**

**1. Annual Actuarial Report, Item to be continued to February meeting.**

**Old Business**

**1. Health Benefits Review (Possible Executive Session), Director Veader stated that this item had been before the Board for three months. Director Gosselin's plan is the basis for the motions.**

**Director Gosselin made the following motion**

**MOTION: Current retirees will pay 20% of the premium of his or her Medical or Dental cost, including those with a spouse or other type of family plan. This policy is in effect until the death of the retiree.**

**Director McElroy seconded the motion.**

**Chairman Jannitto stated that his position on the current retirees is status quo – no change. Director Veader stated the retirees plan should not be touched. Director McElroy stated that he is in favor with Chairman Jannitto.**

**Motion defeated 7 – 0.**

**Director Veader stated that the status of the retirees stays as is.**

**Director Klepper made the following motion**

**MOTION: I move that new retirees of the BCWA as of January 14, 2009, contribute 20% of their health insurance premiums (health and dental), for any plan in which they are enrolled as an individual, and 50% of the added premium for any family plan. That this change be effectuated in an expeditious manner to minimize administrative difficulties and coordination with contracted agencies and in the case of union employees, to take appropriate steps to reopen the contract, as required.**

**Director McElroy seconded the motion.**

**Director Klepper stated that current, active employees should pay a percentage when they retire, 20% for single plan and 50% for family plan. Everyone pays and stays in the group.**

**Director Veader asked if this was for employees hired after 1986.**

**Director Klepper stated – disregard dates of hire for everyone, current employees should get something.**

**Director Veader stated that this motion be withdrawn.**

**Director Klepper made the following motion**

**MOTION: I move that all employees of the BCWA contribute 20% of their health insurance premiums (health and dental), for any plan in which they are enrolled (individual or family); that this change be effectuated in an expeditious manner to minimize administrative difficulties and coordination with contracted agencies, and in the case of union employees, to take appropriate steps to reopen the contract, as required.**

**Director Saviano seconded the motion.**

**Director Klepper stated that this would only apply to Staff. Union employees would have to negotiate.**

**Director Rego stated that he had a problem that this motion only included Staff employees and not all employees.**

**Director Klepper stated that the union would have to reopen negotiations.**

**Director Klepper modified the motion**

**MOTION MODIFIED: Reopen union contract to renegotiate, move contribution from 16% to 20%.**

**Director Saviano made the following motion**

**MOTION: To table this motion to February 2009 meeting.**

**Motion failed 5-2, Voting Nay – Chairman Jannitto, Directors Rego, McElroy, Gosselin and Veader. Voting Aye – Directors Saviano and Klepper.**

**Manager of Accounting and MIS Mr. Webster Goodwin explained the tier payment system to the Board.**

**Motion failed 5-2, Voting Nay – Chairman Jannitto, Directors Rego, McElroy, Gosselin and Veader. Voting Aye – Directors Saviano and Klepper.**

**Director Gosselin made the following motion**

**MOTION: Current employees of the BCWA who were employed by**

**American Water Works will be “grandfathered” in under the same policy as the current retirees when they retire.**

**Director Saviano seconded the motion.**

**Motion passed 5 – 2, Voting Nay – Chairman Jannitto, Directors Rego, McElroy, Gosselin and Veader. Voting Aye – Directors Saviano and Klepper.**

**Director Gosselin made the following motion**

**MOTION: Employees who were hired after July 22, 1986 with at least 30 years of service, will be entitled to the same benefits as above, with the exception that their spouse or family member’s benefits will cease when the retiree reaches the age of 70. Only the retiree will be allowed to continue with his or her medical and dental plan for the remainder of his or her life.**

**Director Saviano seconded the motion.**

**Director Klepper stated that he will oppose the motion, there should not be an age limit as long as the employee pays 20%.**

**Motion failed 5 – 2, Voting Nay – Chairman Jannitto, Directors Saviano, Rego, McElroy and Klepper. Voting Aye – Directors Gosselin and Veader.**

**Director Gosselin made the following motion**

**MOTION: Employees with at least 20 years of service, but less than 30, will be entitled to the same benefits as above, with the exception that all benefits, including the retiree, will cease when the retiree reaches the age of 70.**

**Director McElroy seconded the motion.**

**Motion failed 5 – 2, Voting Nay – Chairman Jannitto, Directors Saviano, Rego, McElroy and Klepper. Voting Aye – Directors Gosselin and Veader.**

**Director Gosselin made the following motion**

**MOTION: Employees with at least 15 years of service, but less than 20, will be entitled to the same benefits as above, with the exception that only the retiree will receive these benefits until he or she reaches the age of 70.**

**Director McElroy seconded the motion.**

**Motion failed 5 – 2, Voting Nay – Chairman Jannitto, Directors Saviano, Rego, McElroy and Klepper. Voting Aye – Directors Gosselin and Veader.**



**Director Gosselin made the following motion**

**MOTION: Employees with less than 15 years of service, will be entitled to the same benefits as above until he or she reaches the age of 65. At the time of retirement, all retirees will pay 100% of the premium for any life insurance policy that existed while employed. Any employee who chooses to retire after the age of 65, will not be entitled to any of the medical benefits listed above.**

**Director McElroy seconded the motion.**

**Director Klepper stated that life insurance does not belong in this motion, it is a different policy. If this motion passes then life insurance will be in effect.**

**Director Klepper amended the motion**

**AMENDMENT: To remove the second sentence of the motion - At the time of retirement, all retirees will pay 100% of the premium for any life insurance policy that existed while employed.**

**Amendment to the motion passed unanimously.**

**Motion failed 5 – 2, Voting Nay – Chairman Jannitto, Directors Saviano, Rego, McElroy and Klepper. Voting Aye – Directors Gosselin and Veader.**

**Director Gosselin made the following motion**

**MOTION: All union and nonunion personnel hired after January 1st, 2009, regardless of how many years employed with the Bristol County Water Authority, will not be entitled to any of the benefits listed above once he or she reaches the age of 65.**

**Director McElroy seconded the motion.**

**Director Rego stated that he found this motion confusing. Employees should be able to keep life and health (Cobra) insurance if they pay. If an employee leaves the company they should pay their own insurance.**

**Executive Director DeLise stated that it's forcing employees to retire at the age of 65.**

**Director Saviano amended the motion**

**AMENDMENT: All union and nonunion personnel hired after January 1st, 2009, regardless of how many years employed with the Bristol County Water Authority, will not be entitled to any of the benefits listed above once he or she reaches the age of 65 unless they wish to join our plan at their own expense.**

**Director Gosselin seconded the amendment.**

**Director Rego stated that the motion should read everyone who leaves the company should pay for their life and health insurance. If you retire at 50 you should pay benefits until you reach 65. This should not change for the people who have been here and have earned benefits. New employees can get new rules.**

**Motion failed 5 – 2. Voting Nay Chairman Jannitto, Directors Klepper, McElroy, Rego and Veader. Voting Aye – Directors Saviano and Gosselin.**

**Director Klepper made the following motion**

**MOTION: I move that new retirees of the BCWA as of January 14, 2009, contribute 20% of their health insurance premiums (health and dental), for any plan in which they are enrolled as an individual, and 50% of the added premium for any family plan. That this change be effectuated in an expeditious manner to minimize administrative difficulties and coordination with contracted agencies and in the case of union employees, to take appropriate steps to reopen the contract, as required.**

**Director Gosselin seconded the motion.**

**Executive Director DeLise asked if this motion was for Staff only.**

**Director Veader stated that it was for everyone not in a contract.**

**Motion passed 4 – 3, Voting Aye Directors Klepper, Saviano, Veader and Gosselin. Voting Nay, Chairman Jannitto, Directors McElroy and Rego.**

**Director Rego made the following motion**

**MOTION: All employees hired after January 1, 2009 who leave the company have to pay for health insurance and dental insurance at their own expense.**

**Director Saviano seconded the motion.**

**Director Rego made the following amendment to the motion**

**AMENDMENT: Employees must work at least ten years.**

**Motion passed 5 – 2, Voting Aye, Chairman Jannitto, Directors Saviano, Gosselin, Rego and Veader. Voting Nay, Directors Klepper and McElroy.**

**There being no further business, the meeting was adjourned at 7:45 pm.**

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**John L. McElroy, Jr.**  
**Secretary**